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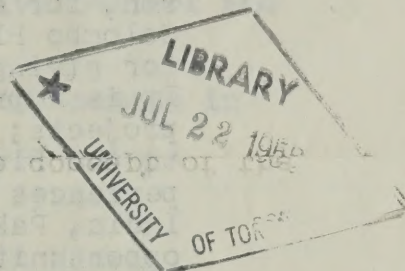
OF CANADA

## REFERENCE PAPERS

INFORMATION DIVISION

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No. 103

### CANADA AND THE COLOMBO PLAN

The Colombo Plan for Co-operative Economic Development in South and Southeast Asia will soon be celebrating its tenth anniversary. It was brought into being at a meeting of Commonwealth Foreign Ministers held at Colombo in February 1950. Established on the initiative of Commonwealth governments, it expanded rapidly to encompass countries of the whole area and, on the donor side, to include the United States and Japan. Aid under the Colombo Plan falls into two broad categories: technical co-operation and development assistance.

The Colombo Plan is characterized by the co-operative nature of its endeavours and by the flexibility of its organizational structure. There being no central machinery, aid projects are generally negotiated and carried out on a bilateral basis. Some projects, however, do involve several countries, as donors, or recipients, or both. The Plan has a small Bureau in Colombo which deals with technical co-operation and information matters. Heads of missions of Colombo Plan countries in Ceylon also meet periodically to discuss matters arising in the context of the technical co-operation scheme. The Consultative Committee, which is composed of ministers of member countries, meets annually to exchange views on the nature and scope of the Colombo Plan and to review its impact on the economic development of the area.

The philosophy underlying Canadian participation in the Plan was summed up by the Prime Minister of Canada, Mr. John G. Diefenbaker, in an address on June 29, 1958, when he said that:

"The good citizen and the good nation must recognize his obligations to the broad community of man".

Mr. Diefenbaker went on to explain the concept of the interdependence of nations in the following words:

"While we have our duty to ourselves and our special relationship to our families and our neighbours, more and more, we, as Canadians and citizens of the world, must seek to share the problems of every continent. We have much to give to other peoples, particularly those in less fortunate lands, but we have also much to learn from them. There cannot be friendship and understanding between the continents, if we in the Western world



arrogantly assume a monopoly of skills and wisdom or that we must try to make all other peoples conform to our ways and thinking. We have much to learn from them, as we have something to give them. It is for this reason, for example, that we in Canada strongly support the Colombo Plan. The Colombo Plan is not merely a programme for giving aid from Western countries to Asian countries. It is a programme for mutual co-operation in economic projects; Canada has contributed in men and resources to the Plan, but we have gained enormously from the experiences we have had in working with our friends in India, Pakistan and other countries in creating new opportunities for them and for the benefit of mankind".

#### Monetary and Food Aid

Canada has been providing over the years, in addition to its contributions to multilateral programmes carried out under United Nations auspices, increasing amounts of development aid and technical assistance under the Colombo Plan. In the fiscal year 1958-59 Canada made available \$35 million for these purposes bringing its total contribution as of March 31, 1959, to more than \$230 million. In addition to its aid in India, Pakistan and Ceylon within the framework of the Colombo Plan, Canada made special grants of wheat and flour amounting to an aggregate of \$28.5 million to India, Pakistan and Ceylon between January 1, 1958 and March 31, 1959. In the same period it also made loans amounting to \$35 million to countries in the Colombo Plan area to finance the purchase of wheat and flour to meet food shortages, bringing up the total of special grants and loans for wheat and flour over and above contributions to the Colombo Plan to \$70 million. An appendix to this paper provides statistical data on Canada's aid programmes in terms of development and technical assistance, showing the allocations made to individual countries.

#### Technical Assistance

Under the technical co-operation scheme, Canada had assigned to Colombo Plan countries up to March 31st, 1959, 134 experts in a wide variety of fields, including public health, agriculture and fisheries, mining, engineering, aerial surveys. Over the same period, 1035 trainees from Colombo Plan countries had spent varying periods in Canada studying at universities and other educational institutions, learning Canadian industrial techniques, or receiving training in Government departments. Fields of study included nursing, public health, engineering, agriculture, forestry, fisheries, geology, aerial survey techniques, statistics, railway operations, and public administration.

Canada has participated or is participating in over 90 development projects in ten countries. The following are some of the more important of these projects.



India.

1. Building of an atomic reactor near Bombay.
2. Re-equipping of railway systems through the provision of 120 steam locomotives, locomotive boilers and railway ties.
3. Assistance to Mayurakshi electricity scheme in West Bengal.
4. Modernization of Bombay Transport System.
5. Hydro-electric project at Kundah in Madras.
6. Aerial survey of resources.
7. Hydro-electric project on the Umtru River in Assam.
8. Contribution of 3 Cobalt Beam Therapy Units.
9. Provision of wheat and non-ferrous metals.

Pakistan.

1. Building of a cement plant in the Thal development scheme.
2. Warsak hydro-electrical project near Khyber Pass.
3. Aerial survey of resources.
4. Shadiwal hydro-electric project.
5. Ganges-Kobadak steam plant for generation of electricity.
6. Goalpara (Khulna) thermal power plant.
7. Transmission line from Dacca to Chittagong and Karnaphuli in East Pakistan.
8. Provision of wheat and non-ferrous metals.

Ceylon.

1. The Mutwal Fisheries research and development scheme.
2. Aerial survey of resources.
3. Gal Oya Valley transmission lines.
4. Institute of Practical Technology at Katubedde.



5. Provision of 10 diesel locomotives and of railway ties.
6. Airport telecommunications equipment for Ratmalana airport at Colombo.
7. Colombo Harbour project -- provision of 9 cranes and erecting derrick.

Apart from Canadian participation in projects in individual Colombo Plan countries, Canada is also contributing to projects benefiting groups of countries in the area. Thus in November 1958, the Canadian Government embarked on a programme under which \$2,500 worth of medical books will be provided to each of 76 medical school libraries in ten countries in South and Southeast Asia. The Canadian Government has also undertaken to carry out an aerial survey and mapping project of the Lower Mekong River Basin, as part of the co-operative programme that has been launched for the development of the Mekong River.

#### Aid Increased

Canada announced at the Commonwealth Trade and Economic Conference in Montreal, an increase from \$35 million to \$50 million in its annual contribution to the Colombo Plan over the next three years. Canada also announced a \$10 million programme of economic assistance to The West Indies over the next five years, and a \$500,000 technical assistance programme for Commonwealth areas in Africa and elsewhere which are not covered by the Colombo Plan or the West Indies programme. Agreement on a Commonwealth Scholarship scheme was also announced at Montreal. Under this scheme, it is hoped that as many as 1,000 Commonwealth scholars and fellows might be studying in other Commonwealth countries at any one time. Canada undertook to be responsible for one quarter of the scheme which is expected to be in operation in time for the 1960-61 academic year.

RP/C July 1959.



## CANADIAN ASSISTANCE UNDER THE COLOMBO PLAN

(Up to March 31st, 1959.)

|              | Number of Experts<br>Sent. | Number of Students<br>Trained. | Expenditures on<br>Technical Assistance. | Allocations of<br>Capital Assistance. |
|--------------|----------------------------|--------------------------------|------------------------------------------|---------------------------------------|
| Burma        | 10                         | 77                             | \$ 495,000.                              | \$ 1,100,000.                         |
| Cambodia     | 4                          | 16                             | 113,                                     | 63,                                   |
| Ceylon       | 42                         | 77                             | 1,321,                                   | 14,559,                               |
| India        | 20                         | 295                            | 1,511,                                   | 122,241,                              |
| Indonesia    | 8                          | 163                            | 833,                                     | 902,                                  |
| Laos         | 1                          | 17                             | 96,                                      |                                       |
| Malaya       | 16                         | 17                             | 347,                                     | 710,                                  |
| Nepal        | -                          | -                              |                                          | 60,                                   |
| North Borneo | 1                          | 6                              | 37,                                      | 3,                                    |
| Pakistan     | 18                         | 263                            | 1,325,                                   | 84,293,                               |
| Philippines  | -                          | 2                              | 5,                                       |                                       |
| Sarawak      | 4                          | 6                              | 79,                                      |                                       |
| Singapore    | 3                          | 6                              | 72,                                      | 55,                                   |
| Thailand     | 1                          | 5                              | 52,                                      |                                       |
| Vietnam      | -                          | 85                             | 289,                                     | 206,                                  |
| -            | 6 (1)                      | -                              | 43, (2)                                  |                                       |
| TOTALS       | 134                        | 1035                           | \$ 6,618,000.                            | \$ 224,192,000.                       |

(1) two or more countries.

(2) Contributions to Technical Co-operation Bureau

